

Company Number: 03073194

**Capital Gardens Limited
Consolidated Financial Statements
for the Year Ended 31 December 2016**

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Capital Gardens Limited

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Capital Gardens Limited

Company Information

Directors	C Campbell-Preston A Lamarche M C Dalrymple (Non Executive) E Schneider (Non Executive)
Company secretary	C Campbell-Preston
Registered office	White Lion House 64A Highgate High Street London N6 5HX
Auditors	Hawsons Chartered Accountants Statutory Auditors Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL

Capital Gardens Limited

(Registration number: 03073194)

Consolidated Statement of Financial Position as at 31 December 2016

	Note	2016 £	2015 £
Non-Current Assets			
Intangible assets	3	-	-
Property, Plant and Equipment	4	<u>992,898</u>	<u>1,036,972</u>
		<u>992,898</u>	<u>1,036,972</u>
Current assets			
Inventories	6	705,130	672,512
Trade and other receivables	7	166,628	138,325
Cash at bank and in hand		<u>549,120</u>	<u>762,543</u>
		1,420,878	1,573,380
Creditors: Amounts falling due within one year	8	<u>(786,501)</u>	<u>(806,419)</u>
Net current assets		<u>634,377</u>	<u>766,961</u>
Total assets less current liabilities		1,627,275	1,803,933
Provisions for liabilities		<u>(39,246)</u>	<u>(71,773)</u>
Net assets		<u>1,588,029</u>	<u>1,732,160</u>
Equity			
Called up share capital		60,100	86,500
Other reserves		-	1,500,000
Retained earnings		<u>1,527,929</u>	<u>145,660</u>
Total equity		<u>1,588,029</u>	<u>1,732,160</u>

These annual accounts and reports have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

Approved and authorised by the Board and signed on its behalf by:


C Campbell-Preston

Director

21 September 2017

Capital Gardens Limited

(Registration number: 03073194)

Statement of Financial Position as at 31 December 2016

	Note	2016 £	(As restated) 2015 £
Non-Current Assets			
Intangible assets	3	-	-
Property, Plant and Equipment	4	<u>327,129</u>	<u>364,761</u>
		<u>327,129</u>	<u>364,761</u>
Current assets			
Inventories	6	705,130	672,512
Trade and other receivables	7	849,384	821,081
Cash at bank and in hand		<u>549,120</u>	<u>762,543</u>
		2,103,634	2,256,136
Current liabilities	8	<u>(786,051)</u>	<u>(805,969)</u>
Net current assets		<u>1,317,583</u>	<u>1,450,167</u>
Total assets less current liabilities		1,644,712	1,814,928
Provisions for liabilities		<u>(39,246)</u>	<u>(71,773)</u>
Net assets		<u>1,605,466</u>	<u>1,743,155</u>
Equity			
Called up share capital		60,100	86,500
Other reserves		-	1,500,000
Retained earnings		<u>1,545,366</u>	<u>156,655</u>
Total equity		<u>1,605,466</u>	<u>1,743,155</u>

Approved and authorised by the Board and signed on its behalf by:



C Campbell-Preston
Director

21 September 2017

Capital Gardens Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
At 1 January 2016	86,500	1,500,000	145,660	1,732,160
Profit for the year	-	-	332,319	332,319
Purchase of own share capital	(26,400)	-	(455,050)	(481,450)
Transfer to/(from) reserves	-	(1,500,000)	1,505,000	5,000
At 31 December 2016	<u>60,100</u>	<u>-</u>	<u>1,527,929</u>	<u>1,588,029</u>

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
At 1 January 2015	86,500	1,315,000	46,488	1,447,988
Profit for the year	-	-	284,172	284,172
Transfer to/(from) reserves	-	185,000	(185,000)	-
At 31 December 2015	<u>86,500</u>	<u>1,500,000</u>	<u>145,660</u>	<u>1,732,160</u>

Capital Gardens Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
At 1 January 2016 (As restated)	86,500	1,500,000	156,655	1,743,155
Profit for the year	-	-	338,761	338,761
Purchase of own share capital	(26,400)	-	(455,050)	(481,450)
Transfer to/(from) reserves	-	(1,500,000)	1,505,000	5,000
At 31 December 2016	60,100	-	1,545,366	1,605,466

	Share capital £	Capital redemption reserve £	Retained earnings (as restated) £	Total £
At 1 January 2015	86,500	1,315,000	48,764	1,450,264
Profit for the year	-	-	292,891	292,891
Transfer to/(from) reserves	-	185,000	(185,000)	-
At 31 December 2015	86,500	1,500,000	156,655	1,743,155

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

Capital Gardens Limited is a company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given on page 1 of these financial statements.

The financial statements are presented in sterling, which is the functional currency of the company.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102, section 1A - 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that, as disclosed in the accounting policies, certain items are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2016.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the Statement of Profit and Loss include the results of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Revenue recognition

Revenue arises from the sale of goods and services, net of value added tax, to outside customers at invoiced amounts.

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the entity's identifiable assets and liabilities.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 20 years

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	10% straight line basis
Leasehold properties	Over the life of the lease
Leasehold property improvements	10%-20% straight line basis
Fixtures and fittings	20% straight line basis
Plant and machinery	20%-33.3% straight line basis
Motor vehicles	20%-25% straight line basis
Office equipment	33.3% straight line basis

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

Inventories

Inventories are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving inventories. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the Statement of Financial Position date.

Deferred tax is measured at the rates that are expected to apply in the periods when timing differences are expected to reverse, based on the tax rates and law enacted at the Statement of Financial Position date.

Operating leases

Rentals payable under operating leases are charged in the Statement of Profit and Loss on a straight line basis over the lease term.

Pensions

The group operates a defined contribution scheme. Contributions are recognised in the Statement of Profit and Loss in the period in which they become payable in accordance with rules of the scheme.

2 Employees

The average number of persons employed by the group (including directors) during the year was as follows:

	2016	2015
	No.	No.
Employees	<u>88</u>	<u>77</u>

3 Intangible assets

Group

	Goodwill
	£
Cost or valuation	
At 1 January 2016	<u>76,188</u>
At 31 December 2016	<u>76,188</u>
Amortisation	
At 1 January 2016	<u>76,188</u>
At 31 December 2016	<u>76,188</u>
Carrying amount	
At 31 December 2016	<u>-</u>
At 31 December 2015	<u>-</u>

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

4 Property, plant and equipment

Group	Freehold land and buildings	Leasehold properties and improvements	Plant and machinery	Fixtures and fittings	Motor vehicles	Office equipment	Total
	£	£	£	£	£	£	£
Cost or valuation							
At 1 January 2016	758,251	2,306,405	1,101,271	56,429	250,017	25,528	4,497,901
Additions	-	-	68,432	-	-	-	68,432
At 31 December 2016	758,251	2,306,405	1,169,703	56,429	250,017	25,528	4,566,333
Depreciation							
At 1 January 2016	84,214	2,103,953	996,135	56,429	194,670	25,528	3,460,929
Charge for the year	6,442	27,467	58,756	-	19,841	-	112,506
At 31 December 2016	90,656	2,131,420	1,054,891	56,429	214,511	25,528	3,573,435
Carrying amount							
At 31 December 2016	667,595	174,985	114,812	-	35,506	-	992,898
At 31 December 2015	674,037	202,452	105,136	-	55,347	-	1,036,972

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

Company

	Leasehold properties and improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2016	2,179,641	1,065,447	154,374	3,399,462
Additions	-	68,432	-	68,432
At 31 December 2016	<u>2,179,641</u>	<u>1,133,879</u>	<u>154,374</u>	<u>3,467,894</u>
Depreciation				
At 1 January 2016	1,975,824	959,850	99,027	3,034,701
Charge for the year	<u>27,467</u>	<u>58,756</u>	<u>19,841</u>	<u>106,064</u>
At 31 December 2016	<u>2,003,291</u>	<u>1,018,606</u>	<u>118,868</u>	<u>3,140,765</u>
Carrying amount				
At 31 December 2016	<u>176,350</u>	<u>115,273</u>	<u>35,506</u>	<u>327,129</u>
At 31 December 2015	<u>203,817</u>	<u>105,597</u>	<u>55,347</u>	<u>364,761</u>

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

5 Investments

Company

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	
		2016	2015
Subsidiary undertakings			
Highgate Garden Centre Limited	Ordinary	100%	100%
Cap G (Investments) Limited	Ordinary	100%	100%
Town & Country Garden Centre Limited *	Ordinary	100%	100%
Morden Hall Garden Centre Limited *	Ordinary	100%	100%
Capital Garden Landscapes Limited *	Ordinary	100%	100%
Neal's Nurseries Holdings Limited	Ordinary	100%	100%
Neal's Nurseries Limited *	Ordinary	100%	100%

* shares held under dormant subsidiary undertaking

The principal activity of Highgate Garden Centre Limited is that of a dormant company.

The principal activity of Cap G (Investments) Limited is that of a dormant company.

The principal activity of Town and Country Garden Centre Limited is that of a dormant company.

The principal activity of Morden Hall Garden Centre Limited is that of a dormant company.

The principal activity of Capital Gardens Landscapes Limited is that of a dormant company.

The principal activity of Neal's Nurseries Holdings Limited is that of a dormant company.

The principal activity of Neal's Nurseries Limited is that of a dormant company.

Pursuant to section 479A of the Companies Act 2006, the accounts for Cap G (Investments) Limited (Company number: 02428003) for the 2016 financial year, which are included in the consolidated financial statements of Capital Gardens Limited, have not been audited. This is permitted on the basis that Capital Gardens Limited guarantees all the outstanding liabilities to which Cap G (Investments) Limited is subject to as at the year end under section 479C.

Pursuant to section 479A of the Companies Act 2006, the accounts for Neal's Nurseries Limited (Company number: 00561211) for the 2016 financial year, which are included in the consolidated financial statements of Capital Gardens Limited, have not been audited. This is permitted on the basis that Capital Gardens Limited guarantees all the outstanding liabilities to which Neal's Nurseries Limited is subject to as at the year end under section 479C.

Capital Gardens Limited

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

6 Inventories

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Goods held for resale	705,130	672,512	705,130	672,512

7 Trade and other receivables

	Group		Company (As restated)	
	2016	2015	2016	2015
	£	£	£	£
Trade receivables	62,908	47,830	62,908	47,830
Other receivables	15,088	2,374	697,844	685,130
Prepayments and accrued income	88,632	88,121	88,632	88,121
	166,628	138,325	849,384	821,081

8 Trade and other payables

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Due within one year				
Trade payables	372,067	355,393	372,067	355,393
Corporation tax	87,800	76,000	87,800	76,000
Other taxes and social security	156,945	142,243	156,945	142,243
Accruals and deferred income	169,689	232,783	169,239	232,333
	786,501	806,419	786,051	805,969

Security

On 31 March 2016 Barclays Bank PLC secured a fixed and floating charge over the assets of the company.

9 Obligations under leases and hire purchase contracts

Group and company

Operating leases

The total of future minimum lease payments is as follows:

	2016	2015
	£	£
Not later than one year	106,130	115,130
Later than one year and not later than five years	424,520	424,520
Later than five years	235,788	341,918
	766,438	881,568

The amount of non-cancellable operating lease payments recognised as an expense during the year was £140,893 (2015 - £142,130).

Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

10 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £32,759 (2015 - £31,012).

Contributions totalling £4,168 (2015 - £2,409) were payable to the scheme at the year end and are included in trade and other payables.

11 Prior year adjustment

Due to clarification over the ownership of an interest in a freehold property, a prior period adjustment has been recognised as at 31 December 2014 to move this interest from the parent entity into another of the group's companies.

12 Disclosure under Section 444(5B) CA 2006 relating to the Independent Auditor's Report

As permitted by Section 444 CA 2006, these accounts do not contain a copy of the company's profit and loss account for the year or a copy of the directors' report. Accordingly, the independent auditor's report has also been omitted.

The independent auditor's report opinion given for the period ended 31 December 2016 was unqualified. The company's auditors are Hawsons Chartered Accountants, and David Owens is the senior statutory auditor.